



**STATE OF HAWAII
DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS**

830 PUNCHBOWL STREET, ROOM 321
HONOLULU, HAWAII 96813
www.hawaii.gov/labor
Phone: (808) 586-8842 / Fax: (808) 586-9099
Email: dlir.director@hawaii.gov

March 16, 2015

To: The Honorable Josh Green, Chair,
The Honorable Glenn Wakai, Vice Chair, and
Members of the Senate Committee on Health

Date: Wednesday, March 18, 2015
Time: 1:30 p.m.
Place: Conference Room 414, State Capitol

From: Elaine N. Young, Acting Director
Department of Labor and Industrial Relations (DLIR)

Re: H.B. No. 696 HD1 Relating to Workforce Development

I. OVERVIEW OF PROPOSED LEGISLATION

HB696HD1 proposes to add a new section to chapter 371, Hawaii Revised Statutes (HRS), to establish a Hawaii healthcare workforce advisory board within the Department of Labor and Industrial Relations. If enacted, the board shall advise the department on strategies for developing the healthcare workforce; develop a mission, objectives, and goals; and advise the department in developing partnerships with healthcare providers, organizations, and stakeholders to further the board's goals.

The HD1 amendments included adding a member of the Center of Nursing to the board and changing the effective date to July 1, 2050 to facilitate further discussion.

The DLIR supports the measure as long as its passage does not replace or adversely affect priorities identified in the Executive Budget.

II. CURRENT LAW

Chapter 371 pertains to the department and does not include a healthcare workforce advisory board.

III. COMMENTS ON THE HOUSE BILL

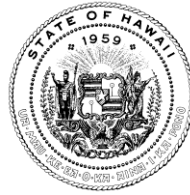
This bill was developed based on efforts that began in 2010 when over 150 stakeholders, including Hawaii Pacific Health and other healthcare providers, with

the University of Hawaii and the Hawaii Workforce Development Council, convened as a Healthcare Skill Panel to identify critical workforce issues and develop recommendations to address those issues. Their recommendations were published in Hawaii's Healthcare Workforce 20/20 Plan and Report, which included a need for an early warning system to quickly identify looming shortages and skill needs so that corrective action could be taken on a more timely basis.

The recommendations were updated in 2014 through a survey conducted by Kapiolani Community College with input from Hawaii Pacific Health, Queen's Hospital, and other healthcare providers statewide, with support from the department. The survey of former Healthcare Skill Panel members and other healthcare providers supported the formation of a statewide healthcare workforce advisory board to provide an early warning system of impending shortages and skill needs to address healthcare workforce issues and serve the community more effectively.

The need to have healthcare professionals validate and clarify or modify labor market data has been demonstrated well by the results of the healthcare skill panel. For example, instead of shortages among RNs as projected in labor market data, the panel identified a glut of RNs except those most needed in specialty occupations such as Critical Care Nursing. Learning these results made planning more accurate for development of employment and training programs.

For these reasons, the department supports the establishment of a statewide healthcare workforce advisory board in the department, provided sufficient funds are appropriated to support board activities and if its passage does not replace or adversely impact priorities identified in the Executive Budget.



DAVID Y. IGE
GOVERNOR

SHAN S. TSUTSUI
LT. GOVERNOR

STATE OF HAWAII
OFFICE OF THE DIRECTOR
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
335 MERCHANT STREET, ROOM 310
P.O. Box 541
HONOLULU, HAWAII 96809
Phone Number: 586-2850
Fax Number: 586-2856
www.hawaii.gov/dcca

CATHERINE P. AWAKUNI COLÓN
DIRECTOR

JO ANN M. UCHIDA TAKEUCHI
DEPUTY DIRECTOR

TO THE SENATE COMMITTEE ON HEALTH

TWENTY-EIGHTH LEGISLATURE
Regular Session of 2015

Wednesday, March 18, 2015
1:30 p.m.

TESTIMONY ON HOUSE BILL NO. 696, H.D. 1 – RELATING TO WORKFORCE DEVELOPMENT.

TO THE HONORABLE JOSH GREEN, M.D., CHAIR, AND MEMBERS OF THE COMMITTEE:

My name is Gordon Ito, State Insurance Commissioner, testifying on behalf of the Department of Commerce and Consumer Affairs ("Department"). The Department supports this bill.

The purpose of this bill is to establish the Hawaii Healthcare Workforce Advisory Board to advise the Department of Labor and Industrial Relations in fulfilling the objectives established by section 226-20, Hawaii Revised Statutes, of the Hawaii State Planning Act ("Act").

The Department agrees that Hawaii should follow the recommendations made by the Hawaii Healthcare Workforce 20/20 plan to strengthen the path into health careers, and take additional efforts toward meeting the health-related objectives and policies established by the Act.

We thank the Committee for the opportunity to present testimony on this matter.



Senate Committee on Health
The Hon. Josh Green, Chair
The Hon. Glenn Wakai, Vice Chair

Testimony in Support of House Bill 696, HD1
Relating to Workforce Development
Submitted by Nani Medeiros, Public Affairs and Policy Director
March 18, 2015, 1:30 pm, Room 414

The Hawaii Primary Care Association (HPCA), which represents the federally qualified community health centers in Hawaii, supports House Bill 696, establishing the Hawaii healthcare workforce advisory board to help increase and strengthen the workforce in the state.

The HPCA is a staunch believer in the social determinants of health, those economic and social conditions that influence an individual and a community's health status. These conditions serve as risk factors endemic to a person's living and working environment, rather than their behavioral or genetic histories. Factors such as income, education, access to recreation and healthy foods, housing, and employment, can and do have measurable impacts on a person and a community, both in health and financial outcomes.

House Bill 696 speaks to several of these major determinants, addressing the growing shortage of care providers in the state as well seeking to provide education, training, and employment to potential health professionals.

For these reasons, we support this measure and thank you for the opportunity to testify.



**Testimony to the Senate Committee on Health
Wednesday, March 18, 2015 at 1:30 P.M.
Conference Room 414, State Capitol**

RE: HOUSE BILL 696 HD1 RELATING TO WORKFORCE DEVELOPMENT

Chair Green, Vice Chair Wakai, and Members of the Committee:

The Chamber of Commerce of Hawaii ("The Chamber") **supports** HB 696 HD1, which establishes the Hawaii Healthcare Workforce Advisory Board to help increase and strengthen the healthcare workforce in the State.

The Chamber is Hawaii's leading statewide business advocacy organization, representing about 1,000 businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the "Voice of Business" in Hawaii, the organization works on behalf of members and the entire business community to improve the state's economic climate and to foster positive action on issues of common concern.

HB 696 HD1 provides necessary support to the healthcare industry to ensure that the state will have an adequate supply of healthcare providers. The Chamber supports the bill's proposal of a workforce advisory board to fulfill the objectives provided in section 226-20, Hawaii Revised Statutes, which include providing sufficient services for prevention and treatment of health problems and encouraging public and private cooperated efforts to accommodate the health needs of the state.

Thank you for the opportunity to testify.



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Written Only

Testimony Presented Before the
Senate Committee on Health
Wednesday, March 18, 2015 at 1:30 pm

By

Robert Bley-Vroman, Chancellor

And

Jerris R. Hedges, MD. Dean
John A. Burns School of Medicine
University of Hawai'i at Mānoa

HB 696 HD1 – RELATING TO WORKFORCE DEVELOPMENT

Chair Green, Vice Chair Wakai, and members of the committee:

The University of Hawai'i (UH) at Mānoa supports the over-all concept of this bill, especially given the serious challenges facing the State outlined in the Hawai'i Physician Workforce Assessment presented to the 2015 Hawai'i State Legislature.

While HB 696 HD1 includes initiatives supportive of our goals and objectives, we are concerned about the cost implications generated by this proposal and the placement of a workforce activity within a state agency, contrary to that outlined in the Center for Medicare and Medicaid Innovation State Innovation Model (SIM) for Hawai'i.

Further, the proposal is an unnecessary duplication of work already being performed by the Center for Nursing Studies at UH Mānoa and by the Hawai'i Medical Education Council (HMEC). We support recommendations concerning HMEC which are included in HMEC's 2015 Report to the Legislature, including the expansion of the Council to include representatives of all post-MD Graduate Medical Education (GME, or "MD Residency Training") programs in the State and dedicated funding for GME to allow the Legislature to monitor transparent, strategic application of State monies in support of GME.

Mahalo for allowing us to testify.